

practices of large, dominate carriers restrict entry and competition to an extent not anticipated by Congress when it deregulated the airline industry. The GAO identified a number of entry barriers and anti-competitive practices which are stifling competition and contributing to higher fares. The GAO issued a similar report in 1990 and the 1996 report said that not only has the situation not improved for new entrants, but things have gotten worse.

The fact is that deregulation has led to greater concentration and stifling competition. The legislative history of the Civil Aeronautics Act of 1938 shows that Congress was as deeply concerned about destructive competition as it was with the monopolization of air transportation services. Thus, the CAA sought to ensure that a competitive economic environment existed. As we can see, deregulation is realizing the fears anticipated by the Congress in 1938. Competition has not become the general rule. Rather, competition is the exception in an unregulated market controlled largely by regional monopolies.

It has been demonstrated that hub concentration has translated into higher fares and rural communities that are dependent upon concentrated hubs have seen higher fares. Studies from DOT and the GAO have demonstrated that in the 15 out of 18 hubs in which a single carrier controls more than 50% of the traffic, passengers are paying more than the industry norm. The GAO studied 1988 fares at 15 concentrated airports and compared those with fares at 38 competitive hub airports. The GAO found that fares at the concentrated hubs were 27% higher.

The difference between regulation and deregulation is not a change from monopoly control to free market competition. Today, nearly two-thirds of our nation's city-pairs are unregulated monopolies where a monopoly carrier can charge whatever they wish in 2 out of 3 city-pairs in the domestic market.

A January 1991 GAO Report on Fares and Concentration at Small-City Airports found that passengers flying from small-city airports on average paid 34 percent more when they flew to a major airport dominated by one or two airlines than when they flew to a major airport that was not concentrated. The report also found that when both the small airport and the major hub were concentrated, fares were 42 percent higher than if there was competition at both ends.

A July 1993 GAO Report on Airline Competition concluded that airline passengers generally pay higher fares at 14 concentrated airports than at airports with more competition. The report found that fares at concentrated airports were about 22 percent higher than fares at 35 less concentrated airports. The same report found that the number of destinations served directly by only one airline rose 56 percent to 64 percent from 1985 to 1992, while the number of destinations served by 3 or

more airlines fell from 19% to 11% during that same period. This report confirmed similar conclusion reached in previous GAO studies conducted in 1989 and 1990.

The fact is that deregulation, while paving the road to concentration and consolidation, has allowed regional monopolies to control prices in non-competitive markets. While the entrance of low cost carriers has introduced competition in dense markets, the main difference between today and pre-deregulation is that the monopolies are unregulated.

Deregulation has been both a tremendous success in some aspects and a colossal failure in some circumstances. It's time we started addressing the problems rather than just praising the successes. For hundreds of small communities, it has meant less service, higher fares, and fewer options.

Air transportation in North Dakota is just as important as air service in New York and Denver. It is not in our national interest to allow vast regions of our country to become geographically isolated. That would be not only tragic for our rural communities, but bad for the Nation.

I hope my colleagues will support this legislation and that the Senate Commerce Committee expeditiously act on it this year.●

CELEBRATING THE 125TH ANNIVERSARY OF COORS BREWING COMPANY

● Mr. ALLARD. Mr. President, I rise today to pay tribute to a great American company, one that will be celebrating its 125th Anniversary next month. The success of Coors Brewing Company is a great American story. When Adolph Coors arrived in this country in 1868, he did not speak English, but he did know how to brew a great beer.

From 1873 until today, Coors has made its reputation on the lasting values of its founder. The American values tradition, commitment, quality, and innovation have long been a part of this history. Holding steadfast to these values has helped Coors grow from a tiny local brewery in Golden, Colorado into a world-class competitor producing more than 20 million barrels of beer each year. Today, Coors' familiar products are sold not only across the United States, but in 45 foreign countries as well.

Through the years, Coors has been at the forefront of responsible community involvement, and today it is recognized as a leader in corporate citizenship. That is why Business Ethics magazine recently placed Coors in the top ten of its "The 100 Best Corporate Citizens." Coors also has been cited numerous times for its outstanding record in attracting, hiring, and promoting minority Americans. It is what you would expect, given Coors' record of investing hundreds of millions of dollars in economic development and other programs

designed to strengthen Hispanic and African-American communities.

When you do business in Colorado, respect for the environment is, of course, a must. Coors is a leader in this area as well. Coors launched the aluminum recycling revolution back in 1959 when it began offering a penny for every returned can. Since 1990, the Coors Pure Water 2000 program has provided more than \$2.5 million to support more than 700 environmental programs across the nation.

One of its most noteworthy accomplishments has been in developing and promoting effective programs to discourage abuse of its products. Coors has a record of encouraging responsible consumption of its products by adults—and only adults. Over the years, millions of dollars have been devoted to community-based education and prevention programs. Coors' "21 means 21" message has been one of the elements responsible for the steady decline in underage drinking and drunk driving that we in the United States have been fortunate to see in the recent years.

Coors has set the standard for responsible advertising, and has led the industry with policies to ensure that its ads encourage moderation, and are directed only to those over the age of 21.

We all know of the controversies that can befall consumer products of all kinds during the highly politicized times in which we live today. But the record amassed by Coors over the past 125 years is reassuring. It is good to know there are still people and companies dedicated to doing the right thing.

Today, I ask my colleagues to join me in a toast to the thousands of Coors employees in Colorado, Tennessee, Virginia, and at Coors distributorships in every state of the nation: Congratulations on a job well done!●

HONORING BRIGADIER GENERAL WALLER ON HIS RETIREMENT

● Mr. REED. Mr. President, I rise to honor Brigadier General Joseph N. Waller on the occasion of his retirement from the Rhode Island Air National Guard.

For the past thirty-one years, General Waller has dedicated himself to the citizens of our country and the Ocean state. He was first assigned to the 143rd Special Operations Squadron in July 1967 as a troop carrier pilot. The next year he was assigned as a tactical airlift pilot, a duty he performed for the next twenty-three years. During this time, he also served as a flight leader and instructor pilot. General Waller is a command pilot who has logged 4,500 flying hours.

General Waller is noted not only for his piloting skills, but also for his leadership. In 1981, he was selected as commander of the 143rd Tactical Airlift Squadron. In December 1987, he was reassigned to Headquarters, Rhode Island National Guard and named Deputy Chief of Staff. Three years later he became Chief of Staff. The very next year